

IN THE MATTER OF:

## RESPONDENTS

## CEASE AND DESIST ORDER

## RESPONDENTS

1. COLUMBIA STAR RESOURCES CORP (COLUMBIA) is a foreign corporation with a principal address of Suite 720 - 700 West Pender St, Vancouver, BC V6C 1G8.
2. JESSE ROGERS EDMONDSON (EDMONDSON), at all time relevant, was a geologist and consultant for COLUMBIA. EDMONDSON has a listed residential address of 1821 N Garland Ave, Fayetteville, AR 72703.
3. ALITA RESOURCES LTD (ALTIA) is a foreign corporation with a principal address of 2300 – 1066 West Hastings Street, Vancouver, BC V6E 3X2.
4. NEXUS GOLD CORPORATION (NEXUS) is a gold exploration company to be created through a merger described as an “amalgamation” of COLUMBIA and ALITA resulting

in the public companies becoming NEXUS.

5. THE SESSIONS PROJECT (SESSIONS PROJECT) was a gold mining project initiated by COLUMBIA and ALITA through NEXUS, and was described as a shallow, open-pit type gold deposit located in central Alabama. Investments in the SESSIONS PROJECT were offered through a subscription agreement issued by COLUMBIA.

### **STATEMENT OF FACTS**

6. On January 21, 2014, an Alabama resident received an unsolicited internet message through the Alabama resident's LinkedIn account. The message stated: "Alabama Gold Exploration and Development Project Seeking Investors, Jesse Edmondson Consulting Geologist, Please send me a personal message with your email for more info. Thanks!" The Alabama resident forwarded the unsolicited internet message from EDMONDSON to the Commission.

7. On January 27, 2014, an Agent (AGENT) of the Commission sent to EDMONDSON a return email feigning interest in the Alabama Gold Exploration and Development Project. EDMONDSON replied to the AGENT by e-mail in which EDMONDSON stated he was a geologist and consulted for two different companies that had projects in Alabama. EDMONDSON identified the companies as Alabama Graphite Company and COLUMBIA. Information provided by EDMONDSON indicated that COLUMBIA was to merge or "amalgamate" with ALITA to form NEXUS.

8. EDMONDSON's email response stated, "Over the past few weeks we have been successful in raising enough money to fully fund the first phase of exploration on the Nevada project and to get the ball rolling in Alabama. We are still seeking \$350,000 to complete the financing for the Alabama project. I am attaching an investor presentation that has an overview of both our projects. Please contact me directly if you would like any additional information about the company/projects, would like to site visit, or would like to arrange a private placement. Our current private placement offer is shares in the public company at

\$0.10/share, with an additional warrant at \$0.20/ share that will be good for 2 years. I can arrange private placements beginning at \$50k. The current money we have raised has come from Canadian investors. I would love to see some Alabamans invest in this thing, because it's an outstanding opportunity to see a very nice return. I am particularly interested in finding a small consortium of local ladies/gentleman that may be interested in investing as a group. Investors in the Alabama project will also become stakeholders in the Nevada project, although all money raised in Alabama will be used solely to advance the project here. If you are still interested and are seriously considering becoming an investor, I would be happy to meet with you in person and go over any details. A site visit or meeting with the Vice President of Exploration for the company can also be arranged. Please feel free to give me a call I you would like to go over anything."

9. EDMONDSON identified the Alabama project as the SESSIONS PROJECT and described it as a gold mining project located 15 miles east of Alexander City. EDMONDSON stated: "our project in Alabama is hard rock gold, or what is called a lode deposit. We already know there is approximately 60,000 oz of gold in the ground. We think we can prove there is over 100,000 oz of gold. We are still seeking \$350,000 to complete the financing for the Alabama project."

10. In subsequent e-mails, EDMONDSON sent the AGENT a COLUMBIA Subscription Agreement, offering "Subscription Receipts", "Conversion Units", and "Conversion Warrants" for the purchase of common shares of interest in ALITA. The subscription agreement directed investors to return the completed subscription agreement; all other accompanying forms; and a certified check, money order, or bank draft to a named Beneficiary - Anfield Sujir Kennedy & Durno LLP In Trust located at 1600, 609 Granville Street, Vancouver, B.C. V7Y 1C3. A bank name and account number for wire transfer of investments was provided. Additionally, EDMONSON provided a newsletter for Alabama Gold SEG, a Columbia Star project overview, a Nexus Cover Page for the Subscription Agreement, and a Nexus Gold Executive Summary.

11. A review of the U.S. Securities and Exchange Commission EDGAR online database disclosed no record of COLUMBIA, ALITA, or NEXUS filing for any exemptions from registration under Regulation D Rule 506.

12. A review of the Commission's files disclosed that RESPONDENTS were neither registered nor exempt from registration to offer and sell securities in Alabama.

### **CONCLUSIONS OF LAW**

13. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of security includes any evidence of indebtedness or certificate of interest. The COLUMBIA investments, described as "Subscription Receipts", offered by EDMONDSON to the AGENT are securities under the Act.

14. Pursuant to Section 8-6-2(2), Code of Alabama 1975, an agent is any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. EDMONDSON's actions, as described herein, establish that EDMONDSON acted as an agent of COLUMBIA in the offer or sale of a security as set forth in the Act.

15. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the Act. EDMONDSON was not registered as an agent or broker dealer in the state of Alabama. EDMONDSON, attempted to effect a securities transaction with an Alabama resident in violation of the Act.

16. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless: It is registered under this act, or the security is exempt from registration under section 8-6-10; or the transaction is exempt under section 8-6-11. The securities offered by RESPONDENTS EDMONDSON, COLUMBIA, ALTIA, NEXUS AND SESSIONS PROJECT were neither registered nor subject to a perfected exemption from registration in violation of the Act.

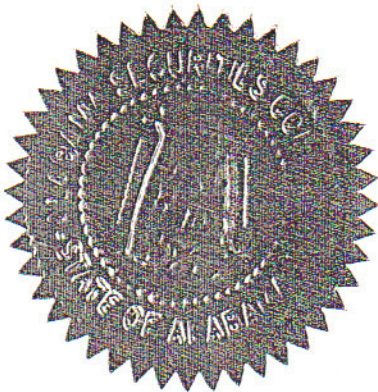
This Order is appropriate in the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of Alabama.

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, AL this 2nd day of July, 2014.



ALABAMA SECURITIES COMMISSION  
P.O. Box 304700  
Montgomery, AL 36130-4700  
(334) 242-2984

BY:

JOSEPH P. BORG  
DIRECTOR